

# Paw Paw Public Schools

## Budget Proposal

2013/14

- ▶ 2012/13 In Review
- ▶ 2013/14 Projection
  - ▶ General Fund
  - ▶ School Service Fund
    - Cafeteria
    - Cedar Street Center
  - ▶ Debt Information

## Financial Planning Policy 2201

- 5% Fund balance
- Budget calendar
- Conservative
- For planning

## 2012/13 General Fund Budget

### Revenue

January Budget	18,000,000
Change, increase	<u>112,000</u>
<i>Total Revenue 12/13</i>	<i>18,112,000</i>

### Expenditures

January Budget	19,483,000
Change, reduction	<u>(386,000)</u>
<i>Total Expenditures 12/13</i>	<i>19,097,000</i>

### Expected use of fund balance

January Budget	(1,483,000)
Change, reduction in use	<u>498,000</u>
<i>Use of fund balance 12/13</i>	<i>(985,000)</i>

## 2012/13 General Fund Budget

### Revenue

State Aid adjustment increases	\$ 52,000
Non-recurring revenue	<u>60,000</u>
<i>Change in Revenue, increase</i>	<i>\$112,000</i>

### Expenditures

Reduction MPSERS contribution rate	(110,000)
Contracted Services reductions	(107,000)
Net Other Changes	(39,000)
Vacancy Credits (unfilled position, vacant part of year)	(80,000)
Benefit change in coverage	(68,000)
Snow and ice removal costs	<u>18,000</u>
<i>Change in Expenditures, reduction</i>	<i>(386,000)</i>

## 2012/13 General Fund Summary

Increase in revenue	112,000
Add decrease in expenditure	<u>386,000</u>
Net decrease in deficit	498,000
Projected deficit from January	<u>(1,483,000)</u>
<i>Deficit for 12/13 as of May 2013</i>	<i>(985,000)</i>
Projected Fund Balance & Assigned June 30, 2013	\$4,550,000
	or 24% of Expenditures
Projected Unassigned Fund Balance June 30, 2013	\$2,949,000
	or 15% of Expenditures

## 2013/14 General Fund Budget

### Key Assumptions

	<u>2012/13</u>	<u>2013/14</u>
Millage Rate	18.00 mills	18.00 mills
Foundation Allow.	\$6,966	\$7,000
Best Practice per pupil	52	16
Performance per pupil	40	2
Technology	10	0
Blended Count	10/90	10/90
Fall Enrollment (K-12 and Alt)	2,274	2,265
Retirement Contribution Rates	24.32%	24.79%

## 2013/14 General Fund Budget

### Millage

Available to levy:

2013/14	18.8913	Mills
Less Headlee for 2013/14	(0.0000)	Headlee
Voted millage	18.8913	
Maximum Levy	<u>18.0000</u>	Mills
Avail. Future Headlee Rollbacks	0.8913	Mills
Amount to levy in December 2013	18.0000	Mills

Millage rate expires 12/31/2021.

## Enrollment (K-12 and Alt.)

■ September 2009	2,310
■ September 2010	2,315
■ October 2011	2,294
■ October 2012	2,273
■ October 2013 (est.)	2,265

## Blended Enrollment

• Feb 2012	2,218 x .10 =	221.8
• Oct 2012	2,274 x .90 =	<u>2,046.6</u>
		2,268.4 Blend
• Feb 2013	2,203 x .10 =	220.3
• Oct 2013 (est.)	2,265 x .90 =	<u>2,038.5</u>
		2,258.8 Blend
	<i>Difference</i>	(9.6)
	<i>(Also allowance for error of 10)</i>	

## 2013/14 Revenue Changes

Reduction in state aid (PPFG, best practice, performance and technology)	\$ (57,000)
Reduction 9.6 funded students	(68,000)
Allowance for count error	(70,000)
Eliminate Federal Edujobs grant	(39,000)
State Pending for MPSERS (see expenditure also)	279,000
Other	1,000
Eliminate Insurance Proceeds	(40,000)
Eliminate One time Revenue	<u>(60,000)</u>
Net decrease in revenue compared to 2012/13	(54,000)

### Per Pupil Foundation Grant Funding History (Gross Value)

	<u>PPPS PPFG</u>	<u>Change \$</u>	<u>Change %</u>	<u>Comment</u>
2008/09	\$ 7,316	\$ 112	1.55%	
2009/10	\$ 7,316	\$ -	0.00%	Does not reflect \$165 reduction
2010/11	\$ 7,316	\$ -	0.00%	Does not reflect \$170 reduction
2011/12	\$ 6,846	\$(470)	(6.40%)	
2012/13	\$ 6,966	\$120	1.75%	
2013/14 (est.)	\$ 7,000	\$ 34	0.48%	Does not reflect Best Practice, Performance based or technology reductions
Change in 5 years		\$(316)	(4.3%)	(08/09 thru 13/14)
Simple ave. per year		\$ (63)	(0.9%)	

### MPERS Employers Contribution Rate History

	<u>MPERS contribution</u>	<u>Change in rate amount from PY</u>	<u>Change as % of PY rate</u>
2008/09	16.54%	(0.18%)	(1.08%)
2009/10	16.94%	0.40%	2.42%
2010/11	20.66%	3.72%	21.96%
2011/12	24.46%	3.80%	18.39%
2012/13	<b>27.37%</b>	<b>2.91%</b>	<b>11.90%</b> (was 27.37% until Feb.)
2012/13	24.32%	(3.05%)	(10.63%) used 11/12 for calc
2013/14 (est.)	24.79		
Change in 5 year	8.25%		49.87% (08/09 thru 13/14)
Simple ave. per year		1.65%	10.0%

## 2013/14 Expenditure Changes

Technology purchase, (TBD, bond funds or operating could be used)	410,000	
Bleacher replacement	<u>100,000</u>	
From reserves	510,000	
Add back vacant position	80,000	
Retirement contribution increases	278,000	
Other net wage & benefit changes	122,000	
Community Ed area reductions in contracted services	<u>( 31,000)</u>	
<i>Net increase in expenditures</i>	<i>959,000</i>	

## 2013/14 General Fund Budget

	All Items	Without Technology & Bleachers
2012/13 Revenue current est.	18,112,000	
Net decrease in revenue	<u>(54,000)</u>	
<i>Total 2013/14 revenue</i>	<i>18,058,000</i>	<i>18,058,000</i>
2012/13 Expenditures current est.	19,097,000	
Net increase in expenditures	<u>959,000</u>	
<i>Total 2013/14 expenditures</i>	<i>20,056,000</i>	<i>19,546,000</i>
2013/14 Operating Deficit	(1,998,000)	(1,488,000)

## 2013/14 General Fund

	All Items	Without Technology & Bleachers
Beginning Fund Balance & Assigned	4,550,000	4,550,000
Total deficit	<u>(1,998,000)</u>	<u>(1,488,000)</u>
<i>Assigned &amp; Unassigned</i>		
<i>Fund Balance @ 6/30/14</i>	<i>2,552,000</i>	<i>3,062,000</i>
<i>Percent of Expenditures</i>	<i>12.7%</i>	<i>15.6%</i>
Beginning Unassigned Fund Balance	2,949,000	2,949,000
Operating deficit (K-12 only)	<u>(1,431,000)</u>	<u>(1,431,000)</u>
<i>Unassigned Fund Balance @ 6/30/14</i>	<i>1,518,000</i>	<i>1,518,000</i>
<i>Percent of Expenditures</i>	<i>7.6%</i>	<i>7.7%</i>

## Total School Services

	<u>12/13</u>	<u>13/14</u>
Revenue and Incoming Transfers	1,228,000	1,228,000
Expenditures	<u>(1,241,000)</u>	<u>(1,241,000)</u>
Deficit	(13,000)	(13,000)
 <i>Fund Balance @ 6/30/13</i>		 <i>131,580</i> or 10.6% of expenditures



## Cafeteria Fund

	<u>12/13</u>	<u>13/14</u>
Revenue & incoming transfers	1,048,000	1,048,000
Expenditures	<u>(1,056,000)</u>	<u>(1,056,000)</u>
Deficit	(8,000)	(8,000)
<i>Fund Balance @ 6/30/14</i>		111,000 or 10.5% of expenditures

## Cedar Street Center Fund

	<u>12/13</u>	<u>13/14</u>
Revenue	180,000	180,000
Expenditures	<u>(185,000)</u>	<u>(185,000)</u>
Surplus (Deficit)	(5,000)	(5,000)
<i>Fund Balance 6/30/14</i>		20,894 or 11.3% of expenditures

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## Debt Retirement Funds

Seven debt funds (includes refinanced)	8.20 mills
Without SBLP (per bond application)	8.34 mills
Principal and interest due 2013/14	\$5.3 million
Bonded debt due 2013/14 and beyond	\$58.5 million
Owe SBLP	2.7 million
<i>Total Debt</i>	\$61.2 million
Projected date to pay off SBLP	2026
Millage rate 2026	7.5 mills
Mandatory repayment due	May 1, 2037

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